



# Alaska Conservation Alliance

*Uniting for Alaska's Future*

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## **Moving Alaska Forward on Renewable Energy, Jobs and Climate Change**

The Alaska Conservation Alliance (ACA) represents 40 member groups with a combined membership of 38,000 Alaskans who want Alaska to be a leader in clean and affordable renewable energy. As the serious, adverse impacts from climate change continue to mount, and as high energy prices threaten Alaskan lifestyles, particularly in rural communities, Alaska now stands at a historic crossroads: we can take the backwards path of business as usual emphasizing fossil fuels, or we can forge ahead with long term, sustainable jobs from renewable energy sources. The stakes are high, and the path we choose will determine Alaska's energy future for the foreseeable future. We see a bright future for all Alaskans in moving forward with our abundant renewable energy resources while protecting our wild lands for future generations.

### **BACKGROUND:**

Clean, Renewable Energy: High energy costs are hurting Alaskans, especially in rural communities, where heating fuel and transportation costs are threatening basic living needs. To date, however, energy planning efforts remain tied to our finite fossil fuel supplies – with increasing attention to coal.<sup>1</sup> Yet Alaska possesses abundant renewable energy supplies<sup>2</sup> - including incredible wind, geothermal, tidal and hydroelectric resources - and statewide polls show Alaskans strongly support renewable energy incentives and development. With appropriate investments in known and emerging technologies, Alaska can be a leader in the growing worldwide boom in renewable energy and energy-efficiency technology and production.

Sustainable Jobs: Renewable energy investments can create three times as many jobs as the same level of spending on fossil fuels,<sup>3</sup> and these jobs will not rise and fall with the vagaries of non-renewable energy pricing and supply. An over-reliance on non-renewable projects leads to the boom and bust economy with which Alaskans are all too familiar. A pro-jobs renewable energy policy can prevent these disruptions and provide clean and affordable power indefinitely. At the same time, an ambitious energy efficiency program could result in substantial numbers of state-wide jobs for retrofits to existing homes and businesses. Furthermore, Alaska is positioned to be a leader in innovative Arctic building construction techniques in response to the challenges of climate change.

While this is a bright, attainable future, ACA recognizes that it will take considerable political will and resources to move away from a fossil fuel economy. In this regard, Alaska's known natural gas reserves on the North Slope are an essential bridge to this future. Therefore, in

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<sup>1</sup> Coal produces the most greenhouse gases per unit of energy used of any fossil fuel, and produces mercury that can contaminate Alaska fish.

<sup>2</sup> Renewable Energy Atlas of Alaska, Alaska Energy Authority and Renewable Energy Alaska Project, 2006

<sup>3</sup> "Dollars from Sense: The Economic Benefits of Renewable Energy", National Renewable Energy Laboratory, September 1997

addition to promoting near-term investments in renewable energy, Alaska leaders should consider further developing natural gas reserves in both Prudhoe Bay and Upper Cook Inlet (as opposed to further developing carbon-intensive resources like oil and coal). Furthermore, the state should focus on getting more production from existing fields instead of developing new energy resources in areas that are critical to fish and wildlife habitat.

Climate Change: Alaska is experiencing the disproportionate effects of rapid climate change. From melting sea ice, retreating glaciers, warming salmon streams, and altered wildlife habitat to accelerated coastal erosion, increased village flooding and thawing permafrost, climate change is threatening the Alaska's economy and way of life.<sup>4</sup> Not surprisingly, Alaskans strongly support action: over 70 % feel climate change is a serious threat, and over 80 % favor regulating greenhouse gas emissions from power plants.<sup>5</sup> The Intergovernmental Panel on Climate Change has concluded that there is at least a 90% chance that humans have fundamentally altered the world's climate by releasing greenhouse gases (GHG) into the atmosphere. Unfortunately, Alaska has yet to embrace an aggressive plan to capitalize on the emerging opportunities posed by our rapidly changing climate. Prominent actions by forward-thinking states include:

- 26 states completing climate action plans, with 14 states having greenhouse gas (GHG) reductions targets
- 15 states have public funds dedicated to supporting energy efficiency and renewable energy projects
- 39 states establishing 'greenhouse gas inventories' with 24 requiring public disclosure of emissions or fuel mix.
- 23 states have 'renewable portfolio standards' mandating that a certain percentage of electricity be generated from renewable energy sources.
- 40 states have net metering programs which facilitate energy conservation and distribution.
- 11 states signing on to California's requirement to reduce greenhouse gas emissions from automobiles by 30 percent by 2020
- 5 states have 'carbon cap/offset' requirements for power plants

Many states have found that policies that address climate change were not a burden on commerce but rather presented economic opportunities. Some states are using action on climate change to position themselves into new markets by producing and selling alternative fuels, attracting high-tech businesses and selling carbon reduction credits. With Alaska as one of the top GHG emitting states on per capita basis, Alaska can benefit from these programs as well.

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<sup>4</sup> ACS, 2007, ANTHC, 2005, USARC, 2003, ACIA, 2005, Weller et al., 1999; Hinzman et al, 2005; Larsen et al, 2007

<sup>5</sup> Decision Research (Columbia University). August 2006.

## RECOMMENDATIONS

### Clean, Renewable Energy and Sustainable Jobs

- Provide adequate funding for “Establishing a Renewable Energy Fund/Account” (HB 152) which creates a statewide fund aimed at assisting viable renewable energy projects.
- Provide incentives to encourage energy efficiency and energy conservation, including but not limited to net metering, fuel source diversification and efficiency standards and green building codes.
- Establish a Department of Energy.
- Develop a statewide energy plan focusing on Alaska’s energy needs for residents. In developing this plan, rely on energy projects that do not emit any more carbon dioxide than natural gas on a BTU-equivalent basis.
- Create a process for all Railbelt utilities to chart a course of action that will simplify operations in the interest of promoting energy efficiency and stability for all Railbelt energy consumers. Direct the utilities to determine an appropriate level and timeline for having more electrical generation from renewable sources.
- Support establishing a world-class renewable energy center at the University of Alaska, so that Alaska can participate in the research and technology boom that is occurring around clean energy. Alaska is already poised to be leader on low temperature geothermal technology and application.
- Create and fund the Hydrogen Energy Research Program, HB 56
- Seek funds and program support for training Alaska workers for renewable energy jobs.
- Encourage funding for building transmission access to renewable resources.

### Climate Change:

- Establish a Cabinet level climate change position within the Governor’s Office to coordinate and lead a comprehensive adaptation and mitigation response to global warming.
- Develop and implement an action plan to address the most pressing impacts identified by the Climate Impact Assessment Commission, the academic research community and the Governor’s Sub-Cabinet on Climate Change.
- Join the Western Climate Initiative as a participating state which currently includes five state and two Canadian provinces.
- Adopt regulations to require greenhouse gas emission reporting by June 1, 2008. Using the information gained from the reporting of emission sources, develop a realistic and rigorous plan for emission reductions to 15% below 2005 levels by 2020, the goal established by the Western Climate Initiative.
- Hold BP and ConocoPhillips to their pledge to reduce greenhouse gas emissions by 10-30% from current levels within 15 years and by 60-80% by 2050. These companies have made this pledge as corporate members of the US Climate Action Partnership.
- Support the prompt passage of mandatory, federal, economy-wide legislation that reduces greenhouse gas emissions by at least 60 to 80% below 2005 level by 2050.
- Recognize that Alaska’s natural gas pipeline can be a “bridge” to Alaska’s future of relying on clean, affordable renewable energy. Ensure that the natural gas pipeline is designed, constructed and operated in a manner that reduces GHG emissions.

- New coal development and use should not proceed until mercury and GHG concerns can be fully and adequately addressed.
- Position Alaska to receive federal funding for adapting to and researching the impacts of climate change.
- Issue an Executive Order in the coming year to require timely plans from each Department on how they will foster adaptation and reduce emissions by their own operations and by the regulated entities under their jurisdiction. Seek a determination of any additional authorities that may be needed to appropriately enable action by each Department.
- Make sure that state natural resource and transportation plans consider the impacts of global warming.

**DUE TO RAPID DEVELOPMENTS IN THE ENERGY AND CLIMATE CHANGE ARENAS, THESE RECOMMENDATIONS WILL BE REVIEWED AND UPDATED PERIODICALLY**

